



[4310-T2]

DEPARTMENT OF THE INTERIOR

Office of Natural Resources Revenue

[Docket No. ONRR-2011-0019]

Agency Information Collection Activities: Submitted for Office of Management and Budget Review; Comment Request

AGENCY: Office of Natural Resources Revenue, Interior.

ACTION: Notice of an extension of a currently approved information collection.

SUMMARY: To comply with the Paperwork Reduction Act of 1995 (PRA), the Office of Natural Resources Revenue (ONRR) is notifying the public that we have submitted to the Office of Management and Budget (OMB) an information collection request (ICR) to renew approval of the paperwork requirements in the regulations under the Chief Financial Officers Act of 1990 (CFO). This notice also provides the public a second opportunity to comment on the paperwork burden of these regulatory requirements.

DATES: Submit written comments on or before **(INSERT DATE 30 DAYS AFTER PUBLICATION IN THE *FEDERAL REGISTER*).**

ADDRESSES: Submit written comments by either FAX (202) 395-5806 or e-mail (OIRA_Docket@omb.eop.gov) directly to the Office of Information and Regulatory Affairs, OMB, Attention: Desk Officer for the Department of the Interior (OMB Control Number 1012-0001).

Please also submit a copy of your comments to ONRR by one of the following methods:

- Electronically go to <http://www.regulations.gov>. In the entry titled “Enter Keyword or ID,” enter ONRR-2011-0019, and then click search. Follow the instructions to submit public comments. We will post all comments.
- Mail comments to Hyla Hurst, Regulatory Specialist, Office of Natural Resources Revenue, P.O. Box 25165, MS 64000A, Denver, Colorado 80225. Please reference ICR 1012-0001 in your comments.
- Hand-carry comments or use an overnight courier service. Our courier address is Building 85, Room A-614, Denver Federal Center, West 6th Ave. and Kipling St., Denver, Colorado 80225. Please reference ICR 1012-0001 in your comments.

FOR FURTHER INFORMATION CONTACT: Hyla Hurst, telephone (303) 231-3495, or e-mail hyla.hurst@onrr.gov. You may also contact Hyla Hurst to obtain copies, at no cost, of (1) the ICR, (2) any associated forms, and (3) the regulations that require the subject collection of information. You may also review the information collection request online at <http://www.reginfo.gov/public/do/PRAMain>.

SUPPLEMENTARY INFORMATION:

Title: Accounts Receivable Confirmations.

OMB Control Number: 1012-0001.

Bureau Form Number: None.

Abstract: The Secretary of the U.S. Department of the Interior is responsible for mineral resource development on Federal and Indian lands and the Outer Continental Shelf (OCS). Various laws require the Secretary to manage mineral resource production

from Federal and Indian lands and the OCS, collect the royalties and other mineral revenues due, and distribute the funds collected in accordance with applicable laws. The Secretary also has a trust responsibility to manage Indian lands and seek advice and information from Indian beneficiaries. ONRR performs the minerals revenue management functions for the Secretary and assists the Secretary in carrying out the Department's trust responsibility for Indian lands. Public laws pertaining to mineral leases on Federal and Indian lands are available at http://www.onrr.gov/Laws_R_D/PublicLawsAMR.htm.

Minerals produced from Federal and Indian leases vary greatly in the nature of occurrence, production, and processing methods. When a company or an individual enters into a lease to explore, develop, produce, and dispose of minerals from Federal or Indian lands, that company or individual agrees to pay the lessor a share in an amount or value of production from the leased lands. The regulations require the lessee to report various kinds of information to the lessor relative to the disposition of the leased minerals. Such information is generally available within the records of the lessee or others involved in developing, transporting, processing, purchasing, or selling such minerals. The information we collect includes data necessary to ensure that lessees accurately value production and appropriately pay royalties.

Companies submit financial information monthly to ONRR on Form MMS-2014, Report of Sales and Royalty Remittance (OMB Control Number 1012-0004) and on Form MMS-4430, Solid Minerals Production and Royalty Report (OMB Control Number 1012-0010).

Every year, under the CFO, the Department's Office of Inspector General, or its agent (agent), audits the Department's financial statements. The Department's goal is to receive an unqualified opinion. Accounts receivable confirmations are a common practice in the audit business. Due to continuously increasing scrutiny on financial audits, third-party confirmation of the validity of ONRR's financial records is necessary.

As part of the CFO audit, the agent selects royalty payors at random and provides the companies' names and addresses to ONRR. In order to meet the CFO requirements, the letters must be on ONRR letterhead; and the Deputy Director for ONRR, or his or her designee, must sign the letters. The letter requests, by a specified date, third-party confirmation responses that ONRR's accounts receivable records agree with royalty payor records for the following items: customer identification; royalty/invoice number; payor-assigned document number; date of ONRR receipt; original amount the payor reported; and remaining balance due ONRR. The agent mails the letters to the payors, instructing them to respond directly to the agent to confirm the accuracy and/or validity of selected royalty receivable items and amounts. Verifying the amounts reported and the balances due requires research and analysis by payors.

We are requesting OMB's approval to continue to collect this information. Not collecting this information would limit the Secretary's ability to discharge the duties of the office. ONRR protects proprietary information that payors submit, and there are no questions of a sensitive nature included in this information collection.

Frequency: Annually.

Estimated Number and Description of Respondents: 48 randomly selected Federal and Indian oil and gas and solid mineral royalty payors.

Estimated Annual Reporting and Recordkeeping “Hour” Burden: 12 hours. We estimate that each response will take 15 minutes for payors to complete.

Estimated Annual Reporting and Recordkeeping “Non-hour” Cost Burden: We have identified no “non-hour cost” burden associated with this collection of information.

Public Disclosure Statement: The PRA (44 U.S.C. 3501 *et seq.*) provides that an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

Comments: Section 3506(c)(2)(A) of the PRA requires each agency to “* * * provide 60-day notice in the *Federal Register* * * * and otherwise consult with members of the public and affected agencies concerning each proposed collection of information * * *.” Agencies must specifically solicit comments to: (a) evaluate whether the proposed collection of information is necessary for the agency to perform its duties, including whether the information is useful; (b) evaluate the accuracy of the agency’s estimate of the burden of the proposed collection of information; (c) enhance the quality, usefulness, and clarity of the information to be collected; and (d) minimize the burden on the respondents, including the use of automated collection techniques or other forms of information technology.

To comply with the public consultation process, we published a notice in the *Federal Register* on August 26, 2011 (76 FR 53487), announcing that we would submit this ICR to OMB for approval. The notice provided the required 60-day comment period. We received no comments in response to the notice.

If you wish to comment in response to this notice, you may send your comments to the offices listed under the ADDRESSES section of this notice. OMB has up to 60 days

to approve or disapprove this collection of information; however, submit your comments to OMB within 30 days in order to assure maximum consideration. OMB should receive your comments by [INSERT DATE 30 DAYS AFTER THE DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

Public Comment Policy: We post all comments, including names and addresses of respondents, at <http://www.regulations.gov>. Before including your address, phone number, e-mail address, or other personal identifying information in your comment, be advised that your entire comment—including your personal identifying information—may be made publicly available at any time. While you can ask us in your comment to withhold from public view your personal identifying information, we cannot guarantee that we will be able to do so.

Information Collection Clearance Officer: Laura Dorey (202) 208-2654.

February 27, 2012
Date

Gregory J. Gould
Director,
Office of Natural Resources Revenue

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